

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF MARTIN GAS,)
INC., FOR AN ADJUSTMENT OF RATES) CASE NO. 9291

I N T E R I M O R D E R

On March 1, 1985, Martin Gas, Inc., ("Martin") filed its application for a rate adjustment pursuant to the Commission's Alternative Rate Adjustment Procedure for Small Utilities as set out in 807 KAR 5:076. The application was filed by Columbia Gas of Kentucky, Inc., ("Columbia Gas") which is acting as the court-appointed receiver of Martin. On March 8, 1985, Martin filed a motion for interim rate relief claiming that certain non-discretionary expenditures are necessary to ensure that its customers will continue to receive adequate service during the pending of this case.

A public hearing was held in the Commission's offices at Frankfort, Kentucky, on April 30, 1985, in order to address Martin's request for interim rate relief. The Consumer Protection Division of the Attorney General's Office and the City of Martin intervened in this case.

This Order does not address the merits of the general rate request but herein denies Martin's request for interim rate relief.

DISCUSSION

The Commission finds, based upon the revised cash flow analysis, that Martin's cash position in March 1985 of \$6,194 and projected cash position of \$13,610 is sufficient relative to its current cash needs to maintain its historic level of customer service. The Commission is also of the opinion that providing additional revenues to pay the gas purchase arrearage of \$137,173 due Columbia Gas, Martin's supplier, raises the additional issue of retroactive rate-making which is a major issue which will have to be decided in the final Order.

The Commission, having considered the request for an interim rate increase and being advised, is of the opinion and finds that:

1. The application for interim rate relief does not indicate that Martin would be unable to perform its normal operations or that it would be financially impaired should the requested emergency increase be denied.

IT IS THEREFORE ORDERED that the request of Martin Gas, Inc., for interim rate relief be and it hereby is denied.

Done at Frankfort, Kentucky, this 21st day of May, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Herman
Chairman

Robert L. [Signature]
Vice Chairman

[Signature]
Commissioner

ATTEST:

Secretary